

DISPOSAL

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BUSINESS PRACTICE

- TIME IS MONEY
- SPACE
- DISPOSAL IS PROMPT
- ASSETS DETERIORATE
- USEFUL BECOMES OBSOLETE OR UNSERVICEABLE



VS

BUSINESS LIABILITY

- AVAILABLE ASSET
- POSTPONE DISPOSAL
- ASSET DEVALUES
- SPACE
- TIME



6 BASIC DISPOSAL RULES

- All useable personal property must be offered to other Federal agencies prior to donation or sale
- Unserviceable or obsolete property must be offered to the state surplus property agency prior to direct donation or sale

DISPOSAL RULES

- Direct donations can only be made to public bodies (city, county, state, etc) (except EO12999 and Stevenson-Wydler)
- Government employees may ONLY purchase property through a competitive sale or auction – NOT notice of abandonment or destruction

DISPOSAL RULES

Separation of duties – a must!!!!

- The asset manager conducts the small lot sale or public notice of abandonment
- A collection officer must receive and deposit the money

Determining the appropriate method of disposal

TRADE-IN OR EXCHANGE SALE:

- Is the asset being replaced?
- OR
- Is a similar asset being purchased to perform the functions of the old item?

Determining the appropriate method of disposal

- Available personal property report (SF120 or Bureau equivalent)?

OR

- Certificate of Unserviceable Property (DI-103A)?

AVAILABLE PROPERTY REPORT

- The asset is in a useable condition or can be used with minimum repairs.
- The asset is not being replaced.
- The asset has value for more than it's scrap content.

Asset Screening and Reutilization Flowchart



CERTIFICATE OF UNSERVICEABLE PROPERTY

- Is the asset in such a condition that it is not economical to repair?

OR

- Is the property item obsolete, having no value to any federal or state agency?

REPORTS OF SURVEY

Reports of Survey are required whenever:

- property is lost or stolen;
- there is damage or destruction (including government vehicles);
- fraud or other property irregularities are apparent;

SURVEYS CON'T

- THERE ARE CIRCUMSTANCES WHERE A POSSIBILITY OF A CLAIM AGAINST THE GOVERNMENT MAY EXIST;
- THERE ARE INVENTORY SHORTAGES.

REPORTS OF SURVEY ARE APPLICABLE TO:

- GOVERNMENT
PROPERTY THAT IS
OWNED
- RENTED
- LEASED
- LOANED OUT
- IN THE
POSSESSION OF
CONTRACTORS